



Department of Energy

Washington, DC 20585

August 14, 1997

MEMORANDUM FOR

**HEADS OF HEADQUARTERS ELEMENTS
EXECUTIVE DIRECTOR, FEDERAL ENERGY
REGULATORY COMMISSION**

FROM:

**ELIZABETH E. SMEDLEY
ACTING, CHIEF FINANCIAL OFFICER**

SUBJECT:

Call for FY 1999 OMB Budget Requests

This memorandum provides guidance on the preparation of the Department's FY 1999 OMB budget submission. The guidance contained in the attached documents also reflects budget guidance and funding allowance in my memorandum dated August 6, 1997, subject: Funding Allowances for the FY 1999 Budget. Programs shall follow the funding guidance unless specified otherwise during the appeals process.

Energy and Water Development (EWD) funded programs will use the budget formats contained in the FY 1998 Congressional Budget. Although the EWD staff has not requested reporting format changes, the Department will continue to improve the overall quality and presentation of our budget material. Programs should be mindful that the Department will comply with the report language in the FY 1998 House of Representatives EWD Committee Report (H.R. 2203) to include all support service contracts in the program direction account regardless of whether support services are in support of a program line item or Federal FTEs in the program direction account.

The Department will support the Administration's full funding effort in our budget justifications and project data sheets by requesting advance appropriations rather than requesting full funding in a lump sum in the year the project begins, as was done in the FY 1998 Congressional request. Use of advance appropriations allows us to request, in the budget year, future funding to become available in the year it will be needed. Also, OMB has requested that the project data sheet format be modified to help streamline and eliminate redundancy in performance reporting required by the Federal Acquisition Streamlining Act, (FASA) Title V, and OMB Circular A-11, Part III, Planning, Budgeting, and Acquisition of Capital Assets. The revised data sheet is in a format that makes the cost and schedule data usable in a separate OMB A-11 performance report. Attachment D and the OMB Budget Chapter of the Budget

Formulation Handbook provides the specific guidance for full funding, the project data sheet, and performance reporting.

For FY 1999, the Government Performance and Results Act requires agencies to submit an Annual Performance Plan and Strategic Plan as part of their OMB budget submission. Programs are reminded that program budget request should be in support of these documents. Policy has the lead on preparing the annual performance plan and strategic plan, and will need your assistance in responding to these requirements.

The OMB budget process requires both draft and final budget submissions. Draft budgets are due to the Office of Budget on August 28, 1997, with final submission due by September 4. The Department will submit the budget to OMB on September 8, 1997. Program organizations are requested to transmit their draft non-classified budgets to the Office of Budget through e-mail (or hand carried diskettes) in addition to a hard copy submission. Electronic transmission will expedite review and analysis, and aide in developing a process for electronic transmission of the FY 1999 Congressional budget to Congress as directed by the House EWD 1997 Appropriation Bill Report. The Office of Budget will distribute copies to other Headquarters organizations such as Policy, Human Resources, and Field Management for joint staff review.

General questions concerning the attached budget guidance should be directed to Roy Craig (CR-132) on 202/586-3455. Questions concerning staffing should be directed to Tom Wheeler of the Staffing Management Branch on 202/586-3276. Other points of contact for supplemental budget exhibits are listed in the attached guidance.

Attachments

cc: Primary Budget Contacts

J. Sullivan

T. Wheeler

M. Newdorf